

FISCAL NOTE

TO: Chief Clerk of the Senate
Chief Clerk of the House

FROM: James A. Davenport, Executive Director

DATE: March 6, 1995

SUBJECT: **SB 728 - HB 1467**

This bill, if enacted, will require the Commissioner of Commerce and Insurance to prepare a residual market plan for workers' compensation insurers. The bill prohibits the placement of any employer in the assigned risk pool unless the Commissioner grants approval.

The fiscal impact from enactment of this bill, as indicated by the Department of Commerce and Insurance, is estimated to be an increase in first year recurring state expenditures of \$173,000 for three positions and related expenses and one-time state expenditures of \$45,000 for equipment.

However, we estimate that the fiscal impact from enactment of this bill will be an increase in state expenditures to the Department of Commerce and Insurance of approximately \$25,000 for an actuarial position to handle the provisions of this bill.

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



SB 728 - HB 1467

James A. Davenport, Executive Director